

STATE OF SOUTH CAROLINA

(Caption of Case)

IN THE MATTER OF PETITION OF SPRINT
COMMUNICATIONS COMPANY L.P. AND SPRINT
SPECTRUM L. P. D/B/A SPRINT PCS FOR
ARBITRATION OF RATES, TERMS AND
CONDITIONS OF INTERCONNECTION WITH
BELLSOUTH TELECOMMUNICATIONS, INC.
D/B/A AT&T SOUTH CAROLINA D/B/A AT&T
SOUTHEAST

BEFORE THE
PUBLIC SERVICE COMMISSION

COVER SHEET

DOCKET

NUMBER: 2007 - 215 - C

(Please type or print)

Submitted by: J. Jeffrey Pascoe

SC Bar Number: 71104

Address: 550 So. Main Street, Suite 400
Greenville, SC 29601

Telephone: 864.255.5422

Fax: 864.255.5855

Other:

Email: jpascoe@wcsr.com

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DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously

☒ Other: Proposed Order

| INDUSTRY (Check one) | NATURE OF ACTION (Check all that apply) | | |
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| <input type="checkbox"/> Electric | <input type="checkbox"/> Affidavit | <input type="checkbox"/> Letter | <input type="checkbox"/> Request |
| <input type="checkbox"/> Electric/Gas | <input type="checkbox"/> Agreement | <input type="checkbox"/> Memorandum | <input type="checkbox"/> Request for Certificatio |
| <input type="checkbox"/> Electric/Telecommunications | <input type="checkbox"/> Answer | <input type="checkbox"/> Motion | <input type="checkbox"/> Request for Investigator |
| <input type="checkbox"/> Electric/Water | <input type="checkbox"/> Appellate Review | <input type="checkbox"/> Objection | <input type="checkbox"/> Resale Agreement |
| <input type="checkbox"/> Electric/Water/Telecom. | <input type="checkbox"/> Application | <input type="checkbox"/> Petition | <input type="checkbox"/> Resale Amendment |
| <input type="checkbox"/> Electric/Water/Sewer | <input type="checkbox"/> Brief | <input type="checkbox"/> Petition for Reconsideration | <input type="checkbox"/> Reservation Letter |
| <input type="checkbox"/> Gas | <input type="checkbox"/> Certificate | <input type="checkbox"/> Petition for Rulemaking | <input type="checkbox"/> Response |
| <input type="checkbox"/> Railroad | <input type="checkbox"/> Comments | <input type="checkbox"/> Petition for Rule to Show Cause | <input type="checkbox"/> Response to Discovery |
| <input type="checkbox"/> Sewer | <input type="checkbox"/> Complaint | <input type="checkbox"/> Petition to Intervene | <input type="checkbox"/> Return to Petition |
| <input checked="" type="checkbox"/> Telecommunications | <input type="checkbox"/> Consent Order | <input type="checkbox"/> Petition to Intervene Out of Time | <input type="checkbox"/> Stipulation |
| <input type="checkbox"/> Transportation | <input type="checkbox"/> Discovery | <input type="checkbox"/> Prefiled Testimony | <input type="checkbox"/> Subpoena |
| <input type="checkbox"/> Water | <input type="checkbox"/> Exhibit | <input type="checkbox"/> Promotion | <input type="checkbox"/> Tariff |
| <input type="checkbox"/> Water/Sewer | <input type="checkbox"/> Expedited Consideration | <input checked="" type="checkbox"/> Proposed Order | <input type="checkbox"/> Other: |
| <input type="checkbox"/> Administrative Matter | <input type="checkbox"/> Interconnection Agreement | <input type="checkbox"/> Protest | |
| <input type="checkbox"/> Other: | <input type="checkbox"/> Interconnection Amendment | <input type="checkbox"/> Publisher's Affidavit | |
| | <input type="checkbox"/> Late-Filed Exhibit | <input type="checkbox"/> Report | |

BEFORE THE
PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 2007-215-C - ORDER NO. _____

September 14, 2007

In Re:

| | | |
|---------------------------------------|---|-------------------------|
| In the Matter of Petition of Sprint |) | |
| Communications Company L.P. and |) | |
| Sprint Spectrum L.P. d/b/a Sprint PCS |) | SPRINT'S PROPOSED ORDER |
| for Arbitration of Rates, Terms and |) | |
| Conditions of Interconnection with |) | |
| BellSouth Telecommunications, Inc. |) | |
| d/b/a AT&T South Carolina d/b/a |) | |
| AT&T Southeast |) | |

This matter comes before the Public Service Commission of South Carolina ("Commission") on the Petition filed by Sprint Communications Company L.P. and Sprint Spectrum L.P. ("Sprint") for arbitration of rates, terms and conditions of interconnection with BellSouth Telecommunications, Inc., d/b/a AT&T South Carolina, d/b/a AT&T Southeast ("AT&T") (collectively referred to as "Parties"). Because we find that the relief requested in Sprint's Petition is the legally required result under the Telecommunications Act of 1996 ("Act"), under the Parties' current interconnection agreement, and under the AT&T Merger Commitments adopted by the Federal Communications Commission ("FCC"), and further, is in the public interest, we grant Sprint's Petition and require AT&T to execute the amendment to the Parties' agreement proffered by Sprint, and included as Exhibit C to Sprint's Petition.

I. PROCEDURAL BACKGROUND

On May 29, 2007, Sprint filed a Petition for Arbitration (“Petition”) with the Commission pursuant to Sections 251 and 252 of the Act. By its Petition, Sprint seeks to implement an amendment to convert and extend its current month-to-month Interconnection Agreement with AT&T to a fixed three-year term. According to Sprint, the amendment arose from Sprint’s acceptance of an AT&T, Inc. and BellSouth Corporation proposed “Merger Commitment” that became a “Condition” of approval by the FCC of the AT&T/BellSouth merger when the FCC approved the merger on December 29, 2006. The FCC ordered that as a Condition of its grant of authority to complete the merger, the merged entity and its ILEC affiliates are required to comply with their Merger Commitments.¹

The Commission issued its Notice of Hearing and Prefile Testimony Letter in this proceeding on June 14, 2007, and on June 22, The South Carolina Office of Regulatory Staff (“ORS”) filed a Notice of Appearance of Counsels Nanette S. Edwards and Shannon Bowyer Hudson.

Also on June 22, AT&T filed a Motion to Dismiss (“Motion”) and its interrelated Answer (“Answer”) to the Petition. Because the source of the three-year extension offer is a voluntary Merger Commitment upon which the FCC conditioned its merger approval, AT&T contended that the Petition seeks an “interpretation of a merger commitment” that is a non-arbitrable issue unrelated to Section 251 of the Act.² According to AT&T, the FCC has “the sole authority to interpret, clarify,

¹ *In the Matter of AT&T Inc. and BellSouth Corporation Application for Transfer of Control*, Memorandum Opinion and Order, Ordering Clause ¶ 227 at page 112, WC Docket No. 06-74 (Adopted: December 29, 2006, Released: March 26, 2007) (“*AT&T/BellSouth*” or “*FCC Order*”).

² See *Motion* at unnumbered 1, 2.

or enforce *any issue involving merger conditions*”³ In its filing, AT&T requested that the Commission dismiss Sprint’s single arbitration Issue 1, and further requested that the Commission grant AT&T the relief it asked for though its proposed Issue 2, i.e., Commission adoption of a “new” interconnection agreement premised upon the Parties’ former incomplete negotiations, and adoption of AT&T’s latest “generic” Attachment 3, pertaining to certain “Network Interconnection” terms and conditions that had apparently never been discussed previously by the Parties.⁴

On July 2, 2007, Sprint filed a Response to AT&T’s Motion and Answer⁵, in which Sprint took the following positions:

1) During the course of the Parties’ Section 251-252 negotiations, their current Interconnection Agreement automatically converted pursuant to its express provisions to a month-to-month term as of January 1, 2005, and has not expired; AT&T acknowledged that Sprint could extend its current Interconnection Agreement for 3 years; Sprint has taken all action within its power to exercise its right and therefore, the only legitimate dispute to be resolved between the Parties to implement such three-year extension is this Commission’s determination as to when the three-year extension commences;

2) Both FCC and state Commission precedent establishes that the FCC and this Commission have concurrent statutory jurisdiction under the Act and state law over AT&T’s interconnection-specific Merger Commitments. Sprint argued that the Commission has jurisdiction pursuant to both the Act and South Carolina law to arbitrate the creation of an amendment term that establishes when the three-year extension of the Parties’ existing Interconnection Agreement commences; and,

³ *Id.* at unnumbered 3 (emphasis added).

⁴ *Id.* at unnumbered 10-12.

⁵ “Sprint’s Response to AT&T South Carolina’s Motion to Dismiss and Answer”, filed July 2, 2007 (“Response”)

3) The relief requested by AT&T through its newly proposed Issue 2 is unwarranted under the law, and is unsupported by facts as alleged in the Petition and admitted by AT&T to the effect that Sprint is entitled to a three-year extension and the only issue is when such extension commences. Accordingly, Sprint recommended that the Commission dismiss AT&T's proposed Issue 2.

On August 17, 2007, the Commission issued its Order Holding Motion to Dismiss in Abeyance, in which we determined that because "this dispute deserves a complete airing by all parties in this matter", AT&T's Motion to dismiss Sprint's Petition should be held in abeyance while the Commission proceeded with a hearing on the merits of the case. An evidentiary hearing was held before the Commission on August 20, 2007. Sprint sponsored the testimony of its witness, Mr. Mark G. Felton, and AT&T sponsored the testimony of Messrs. J. Scott McPhee and P. L. (Scot) Ferguson. Counsel for ORS participated in the hearing, but ORS did not sponsor a witness.

Subsequent to the hearing, on August 27, 2007, the Parties jointly filed a letter in this docket, in which they requested that the Commission establish September 14, 2007 as the deadline for the submission of Proposed Orders and post-hearing Briefs. Further, the Parties requested that the Commission agree to extend the deadline for resolution of the unresolved issues in this matter to October 5, 2007.

Pursuant to the Parties' joint request, the Commission gave the Parties the opportunity to submit Post-Hearing Briefs and Proposed Orders by September 14, 2007, and in recognition of the representations made in the Parties' August 27 letter, the Commission also extended the deadline for resolution of this matter to October 5, 2007. The Commission has carefully reviewed the Parties'

post-hearing submissions, the evidence of record, and the controlling law, and the Commission's rulings are set forth in this Order.

II. LEGAL STANDARDS UNDER THE 1996 ACT

Sections 251 and 252 of the Act encourage negotiations between parties to establish interconnection agreements. Pursuant to the Act, where negotiations do not result in an agreement, the Act allows either party to petition the Commission for arbitration of the unresolved issues.⁶ The Petition must identify the issues resulting from the negotiations that are resolved, as well as those that are unresolved.⁷ The petitioning party must submit along with its petition "all relevant documentation concerning: (i) the unresolved issues; (ii) the position of each of the parties with respect to those issues; and (iii) any other issues discussed and resolved by the parties."⁸ The non-petitioning party to a negotiation may respond to the other party's petition and provide such additional information as it wishes within 25 days after the Commission receives the petition.⁹

The Act limits the Commission's consideration of any petition (and any response thereto) to the unresolved issues set forth in the petition and in the response.¹⁰ Further, an ILEC can only be required to arbitrate and negotiate issues related to Section 251 of the Act, and the Commission can only arbitrate non-251 issues to the extent they are required for implementation of the interconnection agreement.¹¹ Issues or topics not specifically related to these areas are outside the

⁶ 47 U.S.C. § 252(b)(2)

⁷ See Generally, 47 U.S.C. §§ 252 (b)(2)(A) and 252 (b)(4).

⁸ 47 U.S.C. § 252(b)(2).

⁹ 47 U.S.C. § 252(b)(3).

¹⁰ 47 U.S.C. § 252(b)(4).

¹¹ *Coserv Limited Liab. Corp. v. Southwestern Bell Tel.*, 350 F.3d 482, 487 (5th Cir. 2003); *MCI Telecom., Corp. v. BellSouth Telecom., Inc.*, 298 F.3d 1269, 1274 (11th Cir. 2002).

scope of an arbitration proceeding, and the Commission's role is to resolve the parties' open issue to "meet the requirements of Section 251, including the regulations prescribed by the [FCC]." ¹²

III. MOTIONS TO DISMISS

As mentioned previously, AT&T filed a Motion to dismiss Sprint's Petition based on this Commission's purported lack of subject-matter jurisdiction to hear and consider Sprint's sole arbitration issue. Because for the reasons discussed in detail below we find that we do indeed have jurisdiction to consider Sprint's arbitration issue, we deny AT&T's Motion. Further, we will treat Sprint's request as stated in its Response to reject AT&T's proposed Issue 2 as a Motion to dismiss AT&T's issue, and we grant Sprint's request and dismiss Issue 2 from this proceeding.

AT&T's Motion to Dismiss

In its Motion to dismiss, AT&T argued that since the source of Sprint's requested three-year extension was a Merger Commitment, Sprint is asking for an "interpretation of a merger commitment" that is not a Section 251 "open issue" subject to arbitration, and further, that the FCC has "the sole authority to interpret, clarify, or enforce any issue involving merger conditions set forth in its Merger Order." ¹³ We disagree. The Commission has subject-matter jurisdiction to resolve disputes regarding contract terms pertaining to the length of an interconnection agreement, and to implement such contract terms pursuant to Section 252(b)(4)(c), and 252(c)(1) and (3) of the Act, as well as S.C. Code Ann. Section 58-9-280(c)(1). We find the case law on this point cited in Sprint's pleadings to be most persuasive, particularly the 2002 11th Circuit opinion in which the Court clearly stated that a state Commission's broad authority under Section 252(b)(4)(C) permits it to arbitrate

¹² 47 U.S.C. § 251(c)(1).

¹³ AT&T Motion, at unnumbered p. 3.

251-related implementation disputes that are not specifically listed in Section 251 of the Act.¹⁴ In the *MCI* case, the Florida Public Service Commission originally found that it did not have jurisdiction to arbitrate disputes over enforcement provisions and liquidated damages because those matters were not specifically included in Section 251 as subjects of arbitration. The 11th Circuit disagreed with this restricted view of state Commission jurisdiction over interconnection arbitrations, and found that the Florida Commission had jurisdiction under 252(b)(4)(C) to arbitrate any provision that is “within the realm of ‘conditions . . . required to implement’ the agreement.”¹⁵

In addition to the extensive federal case law cited by Sprint in this docket for the proposition that the FCC has consistently acknowledged its adoption of merger conditions does not limit state authority to impose or enforce interconnection-specific requirements,¹⁶ the FCC’s AT&T Merger Order itself expressly recognized that the Merger Commitments did not in any way:

“...restrict, supersede, or otherwise alter state or local jurisdiction under ... the Act ... or over the matters addressed in these commitments, or to limit state authority to adopt rules, regulations, performance monitoring programs, or other policies that are not inconsistent with these commitments.”¹⁷

Accordingly, as Sprint observed in its post-hearing Brief, at 4, 26-28, just this Commission had jurisdiction to resolve disputes regarding contract terms pertaining to the length and commencement of an interconnection agreement before the AT&T/BellSouth merger, nothing in the FCC’s Merger Order altered this Commission’s jurisdiction to resolve any Merger Commitment interconnection-related dispute after the merger occurred.

¹⁴ *MCI v. BellSouth*, 298 F.3d 1269 (11th Cir. 2002).

¹⁵ *Id.* 1274.

¹⁶ Sprint Response, pages 9-13.

¹⁷ FCC Order, APPENDIX F at page 147.

Finally, we find the testimony of AT&T's witness Mr. McPhee to be fundamentally inconsistent with AT&T's position that the FCC has exclusive jurisdiction over the AT&T Merger Commitments. When asked during the hearing, in connection with AT&T's merger-related "transit" Merger Commitment, whether the Commission would have jurisdiction to arbitrate transit service pricing if the parties had negotiated transit rates, the AT&T witness responded that we would have jurisdiction to arbitrate transit rates.¹⁸ Either the FCC has exclusive jurisdiction over the Merger Commitments or it does not, and AT&T's own witness conceded during the hearing that state Commissions would have jurisdiction over a given AT&T Merger Commitment under certain circumstances.

For the foregoing reasons, the Commission denies AT&T's Motion to Dismiss.

AT&T's proposed "Issue 2"

In the Answer portion of its Motion to Dismiss And, in the Alternative, Answer filed on June 22, AT&T also requested that the Commission require the Parties to adopt a "new" interconnection agreement based partially on the Parties' incomplete negotiations conducted prior to the AT&T/BellSouth merger, and partially on AT&T's latest "generic" Attachments 3A and 3B pertaining to "Network Interconnection" terms and conditions.¹⁹ In its July 2 Response, Sprint requests that the Commission reject Issue 2 from consideration because AT&T has in effect already conceded that the Parties' existing agreement can be extended, and because Sprint and AT&T never discussed in their negotiations the Attachment 3 documents that AT&T would have us adopt as part and parcel of a "new" agreement.²⁰ We agree with Sprint: AT&T's Issue 2 is dismissed from this

¹⁸ Hearing Tr., p. 164-65 (McPhee).

¹⁹ *Id.* at unnumbered p. 10-12.

²⁰ Sprint Response, pages 17-18.

docket and we will proceed to consider the only legitimately raised substantive arbitration issue in this matter, i.e., Sprint's Issue 1. There appears to be no factual dispute that the Parties never discussed in their negotiations the actual, lengthy Attachment 3 documents proffered by AT&T in this proceeding.²¹ Since Section 252(b)(1) of the Act²² clearly contemplates that "open" issues subject to arbitration must flow from the Parties' underlying interconnection negotiations, we conclude that AT&T's Issue 2 is not a Section 251 "open issue" and therefore must be dismissed from this proceeding.

IV. DISCUSSION OF ISSUE

Issue 1: May AT&T South Carolina effectively deny Sprint's request to extend its current Interconnection Agreement for three full years from March 20, 2007 pursuant to Interconnection Merger Commitment No. 4?

We conclude that, consistent with Interconnection Merger Commitment No. 4, AT&T cannot refuse Sprint's request to extend its current interconnection agreement for a period of three years from the date of Sprint's formal request, March 20, 2007.

As previously discussed, one of the interconnection-specific Merger Commitments approved by the FCC required the *post-merger* AT&T to allow a requesting telecommunications carrier to extend its current interconnection agreement with AT&T for a period up to three years:

The AT&T/BellSouth ILECs shall permit a requesting telecommunications carrier to extend its current interconnection agreement, regardless of whether its initial term has expired, for a period up to three years, subject to amendment to reflect prior and future changes of law. During this period, the interconnection agreement may be

²¹ See Hearing Tr., p. 179 (McPhee): "[T]he terms and specific language of Attachment 3 were never formalized between the parties. So AT&T, in order to essentially fill that gap, has proposed its standard interconnection agreement that it would offer to any other carrier that sought to negotiate or interconnect with AT&T."

²² 47 U.S.C. Section 252(b)(1) reads as follows: "During the period from the 135th to the 160th day (inclusive) after the date on which an incumbent local exchange carrier receives a request for negotiation under this section, the carrier or any other party to the negotiation may petition a State commission to arbitrate any open issues." (emphasis added)

terminated only via the carrier's request unless terminated pursuant to the agreement's 'default' provisions.²³

As we see it, there are three critical inquiries in connection with this issue: 1) whether Sprint made an effective "request" to extend its interconnection agreement with AT&T for three years pursuant to Interconnection Merger Commitment No. 4; 2) "regardless of whether [the] initial term" of Sprint's agreement with AT&T had expired, whether Sprint had a "current" agreement with AT&T; and 3) whether the commencement of the three-year extension applies from the date of the "request", or some other event (such as AT&T's suggestion that the three years commences from the ending date of the last, pre-merger fixed term of the agreement).

The first inquiry is easily answered in the affirmative. By its letter, dated March 20, 2007, Sprint formally "requested" that AT&T extend the Parties' agreement for three years pursuant to Interconnection Merger Commitment No. 4 (Sprint Petition, Exhibit C), and Sprint's request was acknowledged (and rejected) in AT&T's letter, dated April 4, 2007 (Sprint Petition, Exhibit D).

The second inquiry is: regardless of the status of the initial term of Sprint's interconnection agreement with AT&T, did Sprint have a "current", or in other words effective, interconnection agreement with AT&T at the time of Sprint's formal request on March 20, 2007? We find that the answer is yes, and we find persuasive on this point Sprint witness Mr. Felton's testimony that the agreement was indeed "current" or effective based on the language of the agreement itself, specifically Sections 3.3 and 3.4, pages 815-32 of the composite agreement.²⁴

3.3 Notwithstanding the foregoing and except as set forth in Section 3.4 below, in the event that, as of the date of the expiration of this Agreement and conversion of this Agreement to a month-to-month term, the Parties have not entered into a Subsequent Agreement and no arbitration proceeding has been filed in accordance with Section 252 of the Act, or the

²³ FCC Order, at P. 150, Appendix F.

²⁴ Hearing Tr., p. 61 (Felton); Felton Direct Testimony, Exhibit MGF-1, p.2.

Parties have not mutually agreed where permissible, to extend, then either Party may terminate this Agreement upon sixty (60) days notice to the other Party . . .

- 3.4 If an arbitration proceeding has been filed in accordance with Section 252 of the Act and if the Commission does not issue its order prior to the expiration of this Agreement, this Agreement shall be deemed extended on a month-to-month basis until the Subsequent Agreement becomes effective. . .

The Commission finds especially persuasive the language in Section 3.3 indicating that the Parties contemplated that their agreement would convert at the end of the fixed term to a month-to-month term. This language, combined with the other language in 3.3 that provides for the termination of the month-to-month term agreement under certain circumstances (there would be no reason to provide for the termination of a totally expired agreement), convinces us that the Parties considered the month-to-month agreement to be a “current”, effective interconnection agreement.

Having answered the first two inquiries in the affirmative, we come to the third and final inquiry: does the commencement of the three-year extension apply from the date of the “request”, or some other event? There appears to be no dispute between the Parties that the Merger Commitments became effective as of the date of the merger closing, or December 29, 2006: “Unless otherwise specified herein, the commitments described herein shall become effective on the Merger Closing Date.”²⁵ Accordingly, because at the time of Sprint’s formal “request” on March 20, 2007, the Merger Commitments, including the one in question, were effective, it is necessary to apply the three-year extension from Sprint’s March 20, 2007 request date in order to comply with the plain meaning of Interconnection Merger Commitment No. 4 as written.

We also find that our determination, i.e., that Sprint is entitled to a three-year contract extension from its request date of March 20, 2007, is entirely consistent with the letter and intent of

²⁵ FCC Order, p. 147, Appendix F.

the FCC Order. The FCC Order states that the Merger Commitments “apply ... for a period of forty-two months from the Merger Closing Date”. As explained by FCC Commissioner Copps in his Concurring Statement, the purpose of the interconnection-specific Merger Commitments was to mitigate concerns regarding *the merged entity* using its market power to reverse the inroads that new entrants had made and in fact squeeze them out of the market. The interconnection-specific Merger Commitments are considered important to fostering residential telephone competition and ensuring that the merger does not in any way retard competition.²⁶ A prospective three-year extension of the Parties’ existing agreement is in the public interest and is consistent with the promotion of competition between Sprint and the post-merger South Carolina AT&T entity.

For the foregoing reasons, the Commission adopts Sprint’s positions and requires AT&T to execute Sprint’s proposed contract amendment extending the Parties’ current interconnection agreement for three full years commencing from March 20, 2007, the date that Sprint formally accepted AT&T’s offer as embodied in Interconnection Merger Commitment No. 4.

V. CONCLUSION

We find that Sprint’s position on its sole arbitration issue is consistent with the language of the Parties’ current interconnection agreement and the FCC’s AT&T Merger Order, and further, that Sprint’s position implements the Merger Commitment in question in a manner that best facilitates competition, which appears to be the very reason for the existence of the Merger Commitments. In contrast, we conclude that AT&T’s position is in direct conflict with the express provisions of the Parties’ current agreement and the FCC’s Merger Order. Accordingly, for all the reasons stated herein, we grant the relief requested in Sprint’s arbitration Petition.

²⁶ See FCC Order, “Concurring Statement of Commissioner Michael J. Copps”, at page 172.

IT IS THEREFORE ORDERED THAT:

- a. AT&T's Motion to dismiss Sprint's Petition is denied;
- b. Sprint's request that the Commission dismiss AT&T's proposed "Issue 2" from consideration in this proceeding is granted;
- c. The relief requested in Sprint's Petition for arbitration is granted, and AT&T shall execute and the Parties shall file within ten days of the date of this Order the amendment included in Exhibit C to Sprint's Petition, which specifies that the three-year extension of the Parties' existing interconnection agreement shall commence from Sprint's formal request date on March 20, 2007.
- d. This Order shall remain in full force and effect until further Order of the Commission.

IT IS SO ORDERED.

BY ORDER OF THE COMMISSION:

G. O'Neal Hamilton, Chairman

ATTEST:

C. Robert Moseley, Vice-Chairman

(SEAL)

Respectfully submitted this 14th day of September, 2007.

/s/ J. Jeffrey Pascoe

J. Jeffrey Pascoe
Womble Carlyle Sandridge & Rice
550 South Main Street
Suite 400
Greenville, SC 29601
(864) 255-5400 (Telephone)
(864) 255-5440 (Facsimile)

William R. Atkinson
Sprint Nextel
233 Peachtree Street NE, Suite 2200
Atlanta, GA 30339-3166
(404) 649-0003
Fax: (404) 649-0009
bill.atkinson@sprint.com

-and-

Joseph M. Chiarelli
6450 Sprint Parkway
Mailstop: KSOPHN0214-2A671
Overland Park, KS 66251
(913) 315-9223
Fax: (913) 523-9623
joe.m.chiarelli@sprint.com

Attorneys for Sprint